

**AIRPORT ADVISORY COMMISSION
MINUTES
For meeting of March 18, 2004**

Approved

**MEMBERS
PRESENT**

Ron Salk
Alan Fox
Bruce Alton
Douglas Haubert
Bob Luskin
Carol Soccio
Don Temple
Deborah Veady
Bernhard Clever

**MEMBERS
ABSENT**

**STAFF
PRESENT**

Chris Kunze
Dottie Jones
Lonnie Mitchell
Sharon Diggs-Jackson
Steve O'Keefe
Rachel Korkos
Sileneka Smith

**OTHERS
PRESENT**

Sign-in sheet attached or
available on request

Call to Order

Chair Ron Salk called the Airport Advisory Commission to order at 4:03 p.m., at the Long Beach Energy Department.

Roll Call

Mr. Chris Kunze, Airport Manager, called roll and certified that a quorum was present.

Approval of Minutes

The Airport Advisory Commission minutes of the meeting of February 18, 2004 were approved as submitted.

Approval of Agenda

The agenda was approved as submitted.

Airport Bureau Staff Report

- Mr. Ken Ashmore gave the noise report for February. Mr. Ashmore stated that there were 122 air carrier related complaints and 166 total complaints compared with 230 total complaints for the previous month. There were 8 complaints regarding the B1-Bomber.
- Mr. Malcolm Oscarson gave an update on the Airport Rates and Fees Study. Mr. Oscarson reviewed four specific areas:
 1. Reason for Study – three significant cash flow needs now, compared to years past,
 - a. Capital improvements for deferred airfield and Terminal area infrastructure
 - b. Safety and security enhancements
 - c. Ongoing maintenance requirements

2. Areas of Evaluation – there are 17 different fees established at the Airport, however, the main areas of focus are,
 - a. Landing fees
 - b. Common use fees
 - c. Gate use fees
 - d. Fuel flowage fees
 - e. Ramp (remain overnight) fees
 - f. Terminal ramp use fees
3. The analysis will include staff compiling and reviewing operational and resource needs. Jacobs Consultancy, formerly known as Leigh-Fisher & Associates, have been retained to assist in compiling the rate models, provide industry standards and to meet with staff when conferring with the airlines and other stakeholders.
4. The draft Rates and Fees Resolution is planned to be completed by the end of April. A discussion with the airlines on the planned changes is scheduled for May 2004. The proposed changes to the Airport's Rates and Fees Resolution is scheduled to be processed in the June/July 2004 timeframe.

Mr. Oscarson stated that the goal is to work within the Citywide budget preparation process to incorporate fees to be effective October 1, 2004.

Commissioner Alton asked if the planned rates would be sufficient, with the 41 airline and 25 commuter flights.

Mr. Oscarson stated that there is sufficient revenue to cover normal operations, but what is driving the need for rate increases is the capital improvement deferred maintenance over the years.

Mr. Kunze stated that there is a cash flow shortage, for a few years. The Passenger Facility Charges (PFC) of \$3 generates approximately \$4.1m per year. However, there are short-term major capital projects, such as the \$33m-\$34m runway rehabilitation project, some of which costs are funded by the PFC's. Operating revenue, with adjusted rates/fees, will provide for the long haul revenue production that is needed to provide adequate fund balance for contingencies and to fund the capital improvements in terms of required grant matching amounts. Short term bridge financing such as commercial paper will be necessary in the short run, to fund projects such as the Runway 12/30 runway rehabilitation project, until the PFC and grant funds are all in-hand.

Commissioner Alton asked about the bridge financing and if the City's General Fund would be used to support current ongoing operations until the Airport is self financed.

Mr. Kunze stated that the Airport is self financed using financial protocols which are very typical for airports of Long Beach's size. The structure of the Airport's financing over the forecast years, is that there is no structural deficit. The issue of deferred maintenance largely contributed to the need for some short-term bridge financing, in the close-in years. The only relationship with the General Fund was when there were new charges levied for Fire Department services based on indirect overhead charges several years ago. At that time, with little airport activity, the Airport was allowed to book that debt, with interest, and is paying \$1m a year with completed payback by 2006. There is also an expectation that the payback may be escalated, based on what the City is experiencing currently in terms of expected deficits.

Chairman Salk asked if there were restriction on the use of the PFC's.

Mr. Kunze stated that there were. They have to be for Airport purposes, and generally have to be capital improvements.

Commissioner Alton asked if the City would be a mortgage holder for Airport commercial paper financing.

Mr. Kunze stated that that would be true, given that the Airport is operated by the City, however bridge financing is typically only used to fill a short term cash flow gap, based on very reliable revenue sources such as entitlement grants and PFCs, the revenue from which is often received after project expenditures occur.

- Ms. Christine Edwards gave a construction update. Taxiway F construction is nearly complete. The improvements include a runway incursion prevention measure-runway guard-lights at the most incursion prone intersection, where Taxiway F crosses Rwy 16R. Within the next few weeks the guard lights will be installed, however, because of the Rwy 12/30 Rehabilitation, Rwy 16R will be closed for the next nine months. As part of Taxiway F construction, the perimeter road southeast of Runway 12/30 has been relocated and will be reopened this week. For the Rwy 12/30 project, work is proceeding smoothly primarily with the electrical work on the project, and will be starting some storm drain work within the next weeks. There has been a hold up with the paving portion of the project. The contractor has had a difficult time meeting FAA specifications for required pavement mix, and they anticipate another test strip on Sunday (3/21). If that test strip passes, paving production will commence by the end of next week. Definite dates have been set in the summer for 33 hour paving, from Friday night at 11pm to 7am Sunday morning.

Commissioner Veady asked if weather would affect the construction.

Ms. Edwards stated that the delay in the paving has worked to an advantage. The asphalt is cold temperature sensitive, which inhibits the contractor from meeting the specifications for compaction and lay down temperature. Presently, the nighttime temperatures are on the rise, and at the same time we are approaching the end of the rainy season.

Commissioner Alton asked if construction work is experiencing what was expected as

far as environmental impacts. Ms. Edwards stated that they were.

- Mr. Kunze introduced Mr. Steve O'Keefe, Manager of Leasing and Business Support

Mr. O'Keefe reported that the Airport is currently completing a draft Request for Concepts/Qualifications for the Terminal Concession Operator, which will be published in local papers and regional trade publications in the near future. A briefing session will be held for interested concessionaires in March or April. The concession agreement provides for an opportunity to address the higher demand for food services and also an opportunity to, with the increase in the business available, address a higher level of food service, food display, product availability and revenue production, as well as LGB historical theming. He stated that it is an exciting opportunity for the Airport.

- Ms. Lonnie Mitchell gave a summary of the efforts to review and update the Airport's minimum standards and airfield rules and regulations. Ms. Mitchell distributed a handout with a timeline for processing of the airport regulations and minimum standards update. Ms. Mitchell noted that the timeline depicts various topic-specific working groups and when they are scheduled to meet. These working groups were created to involve aviation businesses sharing common interests as opposed to meeting with everyone at once. Ms. Mitchell also distributed a minimum standards guidelines document meant particularly for Commissioner Luskin and Commissioner Temple, for their review before the next round of meetings with which they are involved. Ms. Mitchell stated that a survey of area airports is important, and will be accomplished as part of the work effort. Ms. Mitchell stated that next week, meetings will begin with the Fixed Based Operators. The first meeting has been set aside for Parcel J tenants. Because of the growth in activity in that area, the designated meeting will be used to identify concerns/solutions to be incorporated in the review of the Rules, Regulations and Minimum Standards. The SASO (Specialized Aviation Service Operator) working group are businesses providing aircraft maintenance, avionics, instrument maintenance, aircraft sales, aircraft rental, flight instruction, flying club, etc. The working groups will review the resulting draft documents. Staff will compile notations, suggestions, and revisions from each of the working groups. Following the final review of the draft by the working groups, staff will broadly circulate the draft to all the tenants and users. Commissioners Luskin and Temple, airport staff, and members of the working groups will then hold a tenant/user input meeting. The proposed document will then be submitted to the Airport Advisory Commission for review. The recommended document is scheduled to be presented at the July 15th Commission meeting, for recommendation to the City Council. The target date for City Council is August 3rd.

Old Business – Briefing on Boeing PacificCenter DEIR

Mr. Kunze introduced Amy Bodek, Manager of Project Development for the City.

Ms. Bodek began with a briefing on the Boeing PacificCenter project. Ms. Bodek asked to focus the attention on the EIR issues since the EIR has been distributed and the Commissioners all have a copy. Boeing is proposing a project on 261 acres, and proposes to include up to 2,500 residential units, 3.3 million square feet of commercial uses, up to 400 hotel rooms, and with 150,000 square feet of retail uses. Ms. Bodek introduced Mr. Greg Broughten, and Mark Hageman, the EIR Consultants who prepared the EIR under the direction of City staff and the City Attorney's Office. Ms. Bodek stated that their presentation will focus on three specific issues within the EIR that are most directly related to the Airport: hazards, air quality, and noise issues. Ms. Bodek stated that they can address other areas of the EIR if requested. As an advisory commission to the City Council there is the ability to write a letter of recommendation to the City Council. The most appropriate time to write that letter of recommendation is at a time close to the public hearing dates with the City Council. Because the Airport Advisory Commission is an advisory body to the City Council and has no real relationship to the Planning Commission, the Planning Commission would appreciate a courtesy copy of the recommendation letter, for their information and consideration. The Planning Commission will be the first entity within the City to take a land use action on this project, and have a major role, while the City Council is the final decision maker. In addition to the Airport Advisory Commission, Ms. Bodek stated that she is also working with the Recreation Commission and the City's Economic Development Commission to provide the Planning Commission the opportunity to hear from the various commissions on their areas of concern. Ms. Bodek distributed a hard copy of the PowerPoint presentation to be given by PCR Services Corporation.

Mr. Broughten, President of PCR Services Corporation, gave an overview of the presentation and introduced Mr. Hageman to review each slide.

Mr. Hageman provided an overview of the key EIR issues related to the airport-related hazards from aircraft accidents, health risk assessments based on cancer generating toxins within ¼ mile of the site and including the Airport, and aircraft noise impacts. It was noted that aircraft crash hazards were mitigated by meeting FAA airspace protection and County Airport Land Use Commission guidelines, and other mitigation measures. The health risk assessment, including Airport sources, was found to be less than significant based on SCAQMD standards. Aircraft-related noise impacts were found to meet federal, State and Airport Land Use Commission guidelines where applicable, either through project layout/design or other mitigation measures.

After the presentation, Commissioner Soccio asked who had done the health risk assessment. Mr. Hageman stated that their firm, PCR Services Corporation, conducted the study.

Commissioner Soccio asked if that is normally a function of their firm. Mr. Hageman stated that they have conducted approximately 15 health risk assessments for the Los Angeles Unified School District at various school sites, and have conducted a number of studies for other local school systems. Mr. Hageman stated that they have done health risk assessments for landfills, power plants and a number of other uses.

Commissioner Soccio asked about the 85 SENEL noise exposure and if that would involve insulated homes. Mr. Hageman stated that the 85 SENEL is what is experienced outdoors.

Commissioner Soccio then asked about the street layout. She asked if the residential component density were to be reduced, would the location of the housing be set further back within the project. Mr. Hageman stated that under the reduced intensity alternative, the residential portion would be adjusted. Ms. Bodek stated that in the reduced intensity alternative, PCR is showing the reduced housing area to be a park. The location of the major east/west street essentially stays the same.

Commissioner Soccio asked if A street and B street would be moved under the various options. Ms. Bodek stated that there may be some deviation on B street where it curves to meet A street, and A street may be relocated to run adjacent to the golf course, however, the overall extension of A street and B street, as they meet Lakewood Blvd, would stay the same.

Commissioner Alton asked about identifying a cancer risk of 8.3 in a million, and whether that included any assessment of the cumulative impact in that area. Mr. Hageman stated that it does not. He stated that the 8.3 in a million focuses on the incremental cancer risk associated with facilities within a ¼ mile of the site.

Commissioner Alton said that it is his understanding that an EIR is required to identify cumulative environmental impacts. Mr. Hageman stated that, in the case of this project, a cumulative health risk assessment, as defined by the AQMD, for the most part would be looking at sources within ¼ mile of the project site. Cumulative is looked at as background information. Mr. Hageman stated that their study went beyond the ¼ mile referenced. He referred back to a slide depicting the area around the airport, which shows that much of the airport is well outside ¼ mile from the project. They then looked at what could potentially impact the site, and since a portion of the airport fell within the ¼ mile, they included the Airport as a whole into the assessment.

Commissioner Alton stated that he understood then, that the entire impact of the airport is in the PCR identified impacts. Mr. Hageman concurred, and stated that they looked at all the fuel farms, all the boilers, spray paint booths, everything on the airport that they were able to obtain information on.

Commissioner Alton asked for more information on PCR's noting of occasional disruption by aircraft noise when people are outside. Mr. Hageman noted that by looking at the Airport, the predominant runway is 12/30 which does not result in aircraft over flight of the project site. In addition, Mr. Hageman stated that the Airport typically operates in an east/west configuration, which, on a normal day, would not result in many over flights of the project site, with the exception of helicopters. Noise measurements were taken of helicopters showing a 74 decibels departure, and 72 decibels for arrival, as maximum noise levels.

Commissioner Alton asked how “occasional” is defined in terms of frequency. Mr. Hageman stated that on the days that the Airport uses the north/south configuration, there would be a number of operations over the project site. The occasional is in terms of the number of days, which in recent history has been 5-7% of the time.

Commissioner Alton asked how long it took and how much it cost to do the human health risk assessment. Mr. Hageman stated that there was a staff of three, approximately two to three solid weeks working on the assessment. Ms. Bodek noted that PCR Services is not under contract with the City of Long Beach, they work under the direction of the City, but they are being paid by Boeing. Commissioner Alton stated that the dollar amount is an important issue for him. Ms. Bodek stated that she would get that information from Boeing and report back.

Commissioner Veady asked for comments regarding the net change in traffic for the preferred plan, and for the reduced intensity plan.

Ms. Bodek stated that PCR Services had a separate traffic consultant, Crane and Associates, that performed all the traffic studies. Comprehensively they studied approximately 100 intersections within the City, under both scenarios of 2,500 units and 1,400 units. She stated that when appropriate mitigation measures are applied, whether it is re-striping an intersection or changing a lane, it resulted in 3 intersections being impacted. Those intersections are Carson/Lakewood, Lakewood/Conant, and Spring/Lakewood.

Commissioner Veady asked if there was a study to determine if there were additional environmental hazards such as smog, etc. caused by the increased traffic. Ms. Bodek stated that there were. Mr. Hageman noted that PCR Services looked at project related traffic, the level of congestion, and what the degradation might be. Any intersection that decreased by a level of service or more, starting with a level of service of D, was reviewed and the project-related increment was identified. He stated that there were a number of intersections reviewed. PCR Services identified the top 25 potentially impacted intersections and analyzed those intersections. Mr. Hageman stated that based on that analysis, the project would not result in environmental hotspots at any of the intersections, considering cumulative traffic impacts. In addition, PCR Services looked at all the project alternatives, and what the incremental change would be, based on the total number of project trips, to get an order of magnitude as to whether or not the increase would create a carbon monoxide hotspot, and no hotspots were identified.

Ms. Bodek stated that under the reduced intensity alternative, the number of significant impacted intersections goes from three to two. The Conant/Lakewood intersection would drop off of the impacted intersection list.

Commissioner Temple asked for further comment on particulate matter, and the amount of that pollution coming from the Airport.

Mr. Hageman stated that in looking at the project area cancer risk of 8.3 in a million, 71% of that 8.3 in a million is related to the Airport. He noted that it is primarily related to diesel particulates from the ground support equipment (GSE), approximately 85% of the 71%, but also from jet fuel exhaust and other sources. He noted that based on discussions with the Airport, a phasing out of diesel ground support equipment is taking place.

Mr. Kunze commented on the cancer risk figure of 8.3 in a million, and noted that the assessment area is within a ¼ mile from the site, so that it includes the airport. He noted that the study was not done based on actual use, but based on models that made certain assumptions that staff feel overstate the amount of particulate matter. Mr. Kunze stated that based on 71% of the 8.3 in a million, the risk from the Airport is 6 in a million. He stated that looking at the background air quality, based on the MATES II study, which included the actual monitoring of the air in the Long Beach area, the overall risk varies between 1,000 and 1,200 per million. Using an average of 1,100 in a million as the risk, he noted that using the Airport contribution of 6 in a million, the airport's contribution is less than 1% of the risk. Mr. Hageman concurred.

Mr. Kunze stated that reviewing the 71% of the risk in terms of diesel particulates, he noted that the City has signed on with the Air Resources Board, the Regional Air Quality Management District, and the Airport's airlines in an MOU. He stated that in terms of the air transportation related component of the risk, the MOU calls for a phase out of diesel engine powered GSE and much of the use of airline aircraft on-aircraft auxiliary power units (APU's) over a 7-year period. The City has stated that they are in support of that agreement. He stated that the Airport, by the end of the year, will upgrade the electrical power at the Airport Terminal area. JetBlue has brought in all electric ground support equipment, which they are not allowed to use because there is not the electrical capacity at the Terminal building. After the upgrade, which will be in place by the end of the year, they will be able to run all their GSE electric equipment. In addition there is a three-year ramp reconstruction project that starts in 2006 through 2008, that will replace the existing parking ramp from asphalt to concrete and as part of that, the parking positions will be supplied by in-ground power and conditioned air which will replace the APU's.

Commissioner Temple asked if an air sample were taken on the airfield, what would show in that sample other than diesel. He stated that his concern is the settling of rubber matter in the air. Mr. Kunze stated that that question is addressed in the DEIR, and the MATES I and MATES II studies have answers. He stated that the citywide human health risk assessment study will gather that information with the most recent data, and use data developed for the PacifiCenter site. This citywide study is scheduled to be presented in August. Mr. Kunze noted that the most recent figures that he has reviewed are that air transportation in terms of the particulate matter is approximately 2%, with the key remaining components being from the freeways such as diesel fuel residual and rubber from tires, and diesel fuel residual from areas other than the airport such as the Ports of LA/LB.

Mr. Hageman stated that he is in agreement that it is the vehicles/trucks using the freeway system and roadway network that is the major contributor, and that is what was found using the MATES II study. He said that looking at the overall air basin risk, approximately 75% was from diesel particulate, from heavy-duty trucks, trains, and the

ports. Another 10%-15% is related to automobile gas exhaust.

Commissioner Haubert asked about the commercial element of the project, saying that the presentation notes it as being office, research and development, light industrial, retail and hotel. He asked if there are any further discussions with possible tenants, and how many hotels were being contemplated.

Ms. Bodek stated that Boeing has not identified discussions with specific tenants. Typically, a developer would wait until they have entitlements from the City before doing serious marketing. She stated that 400 hotel rooms is a maximum, and is aggressive. She stated that it is hoped that that number is achieved, as it would be a generator of the Transient Occupancy Tax revenue for the City. Ms. Bodek stated that it is analyzed in the EIR as a maximum of 400 rooms. Mr. Schulte from Boeing stated that the project cannot yet be marketed until the completion of entitlements.

Commissioner Haubert asked if Boeing will remain the owner or if they would subdivide and sell. Mr. Schulte stated that Boeing is a land developer, and in that role their process is to rezone, to clean, to demolish, to put in infrastructure, and sell finished graded pads to other developers. He stated that Boeing would ultimately not be the final owner of the project.

Commissioner Haubert asked for a review of the three impacted intersections based on 2,500 housing units being developed, and two impacted intersections if 1,400 housing units are developed. He asked if impacts are reducing the level of service to D or below. Ms. Bodek stated that it would be reducing the level of service at an intersection from D or below. If an intersection were at level of service such as A, and dropped to level of service B, that would not be considered significant to the City. She stated that the threshold for significance was at the lower reduced levels of service. Commissioner Haubert if any of the mentioned intersections would be reduced to a level of F. Ms. Bodek stated that they could be E or F, but was unsure if they bottomed out at F.

Commissioner Alton asked if the examination identified specific areas under the flight path of Runway 12/30, and if so were there any air quality hotspot activity at either end of the runway areas. Mr. Hageman stated that they only looked at proposed residential uses within PacifiCenter concerning the health human assessment.

Chairman Salk opened questions to the audience.

Mr. Lew Nelsen noted that a statement was made regarding noise impacts of 41+25 flights, and asked what the effect would be to add one more flight, two more flights, ten more flights, etc. Mr. Hageman stated that the presentation was intended to be an overview. To be more specific, PCR Services identified what potential noise levels would be on the project site, related to aircraft activity on Runway 12/30. To do this, they looked at the closest noise monitoring location in line with the runway and estimated levels on the project site from that. Monitoring station #14 was used as the basis for their review. Based on the maximum levels during takeoffs, the LEQ's, the single event noise levels, all those different factors from typical operations on Runway 12/30, and what the noise levels would be from engine run-up events based on Boeing projecting 16 C-17 run-ups per year, and 12 717 run-ups per year, noise

impacts on the site were estimated.

Mr. Nelsen asked if the park space mentioned would be open to the public.

Ms. Bodek stated that in the two alternatives, the 2,500 residential unit project and the 1,400 residential unit project, both carry 10 ½ -11 ½ acres of open space and park, the majority of which would be open to the public and owned by the public. She stated that approximately 9-9 ½ acres of the 10 ½ -11 ½ acres will be publicly accessible.

Mr. Nelsen asked if those parks would be subjected to a severe amount of noise in relation to normal parks, and asked when PCR Services did the health risk assessment, if current information was used or was 10 year old information used. Mr. Hageman stated that they based their analysis on the latest available airline schedules, and current operations for the last year which is consistent with CEQA guidelines. He stated that in regard to the noise issue in the park, noise levels from over-flying single engine piston type aircraft may be annoying but are quieter than jet aircraft.

Old Business – Identification of Airport-related PacifiCenter Issues

Mr. Kunze stated that he is in the process of reviewing the EIR. He stated that, before the April 12th closing date for comments, he will review it in detail at which time he will make his recommendations to the City. Those recommendations will be fed back from the City to the PacifiCenter staff. Mr. Kunze stated that there are some areas he would like to present to the Commission for consideration, prior to a more detailed staff presentation to be provided at the Commission's April meeting, at which time the Commission may wish to provide a recommendation to the City Council.

Mr. Kunze stated that the EIR, upon initial review, appeared to address all in-place standards and regulations regarding airport adjacency, however, ultimate decision makers would still be advised to consider quality of life issues as evidenced by historic and current airport-related complaints from residents living well outside of the areas identified by these standards. He noted the importance of documented advance notice and waivers for homeowners and renters, as well as project airport-related theming, all to avert a lack of airport adjacency awareness and forewarning. Mr. Kunze noted that acoustical treatment of structures was one mitigation measure, however, such measure would not adequately address outdoor quality of life impacts by high level noise events and/or low overflights. With regard to noise annoyance, the issue of resident reaction to long lasting aircraft engine runups by Boeing and other on-airport users would likely be a quality of life detractor. Lastly, Mr. Kunze noted that any aviation uses within PacifiCenter, requiring access from the Airport, should be for air transportation access only-such as storage of aircraft at a corporate office site, rather than commercial aviation uses which would compete with existing airport operators and thereby reduce on-airport land values.

Public Input Period

None

Commissioners Comments

None

The meeting adjourned at 5:45 p.m.

Respectfully submitted,

